

Kentucky EDI News

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Introduction

Dear Trading Partner,

We have assembled this newsletter to inform all of our trading partners of current and upcoming changes to the Kentucky workers' compensation EDI program. Kentucky Department of Workers' Claims is committed to working closely with trading partners to assure that exchange of information is efficient and accurate.

General Information



TIMELY FILINGS

The Department of Workers' Claims (DWC) assumes a proactive role in improving carrier performance and self-insured employer performance through a program that monitors and analyzes carrier performance. The DWC may at any time choose to audit the performance of carriers without notification. It is DWC's goal to provide assistance to the employees of the Commonwealth of Kentucky that are injured on the job or exposed to an occupational disease in the workplace. The monitoring of carrier performance is essential to ensure timely filing of injury reports as well as ensure prompt and accurate payment of indemnity benefits. Insurance carriers and self insured employers are required by Kentucky law to report any injury that causes an employee to miss more than one day of work. This report is to be filed electronically via Electronic Data Interchange (EDI) through an approved trading partner within one week of the carrier receiving notice of an injury from the employer. This is governed by KRS 342.038(1) which states:

"Every employer subject to this chapter shall keep a record of all injuries, fatal or otherwise, received by his employees in the course of their employment. Within one (1) week after the occurrence and knowledge, as provided in KRS 342.185 to 342.220, of an injury to an employee causing his absence from work for more than one (1) day, a report thereof shall be made to the office in the manner directed by the executive director through administrative regulations. An employer's insurance carrier or other party responsible for the payment of workers' compensation benefits shall be responsible for making the report to the Office of Workers' Claims within one week of receiving the notification...."

If the insurance carrier or self insured employer does not comply with Kentucky law, they are subject to penalty as specified in KRS 342.990(7)(a) which states:

"Any employer, insurer, or payment obligor subject to this chapter who fails to make a report required by KRS 342.038 within fifteen (15) days from the date it was due, shall be fined not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000) for each offense."

In addition to first reports of injury, subsequent reports must also be filed with the Department of Workers' Claims. These reports detail an injured worker's return to work, payment of benefits, settlements, etc. KRS 342.040 states:

"Except as provided in KRS 342.020, no income benefits shall be payable for the first seven (7) days of disability unless disability continues for a period of more than two (2) weeks, in which case income benefits shall be allowed from the first day of disability. All income benefits shall be payable on the regular payday of the employer, commencing with the first regular payday after seven (7) days after the injury or disability resulting from an occupational disease.... In no event shall income benefits be instituted later than the fifteenth day after the employer has knowledge of the disability or death....If the employer's insurance carrier or other party responsible for the payment of workers' compensation benefits should terminate or fail to make payments when due, that party shall notify the executive director of the termination or failure to make payments...."

As well, 803 KAR 25:170(2)(2) states that:

"Each carrier shall file the information required on the Form IA-2 with a data collection agent or a value added network designated by the Office of Workers' Claims, in electronic format:
(a) as soon as practicable and not later than one (1) week from the date payments to an employee are commenced, terminated, changed, or resumed; and
(b) Every sixty (60) days during temporary total disability."

EDI Resources

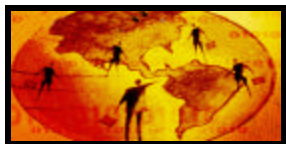


VENDORS LIST

In an effort to update the Vendor information that is provided on the agency website, we would appreciate your assistance. Please check the information provided for your business and contact us if changes are needed. You will notice that we have provided the company name, phone number and contact if provided. If you would like your mailing or email address provided as well, please let us know. You may provide this information to Cam Lawson, EDI Administrator - HowardC.Lawson@ky.gov or Jennifer.Caldwell@ky.gov. Your continued assistance would be appreciated in an attempt to keep this site current.

TRADING PARTNERING AGREEMENT AND PROFILES

The Interchange Trading Partnering Agreement, Trading Partner Profile and Transmission Profile – have been updated on our website: <http://www.labor.ky.gov/workersclaims/EDI.htm>.



First Report of Injury - (FROI)

STANDARD INDUSTRIAL CLASSIFICATION (SIC) AND NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) CODES

As of April 1, 2009, Kentucky began accepting both the 4 digit Standard Industrial Classification (SIC) codes and the 6 digit North American Industry Classification System (NAICS) codes on First Report of Injury (FROI) transactions. If you transmit a 4 digit SIC code number, place two blanks after the valid SIC code or use SC at the end to pad the code. The field should not be padded with zeroes. Records submitted with invalid codes will be rejected.

(02) FROI CHANGE TRANSACTIONS

When submitting (02) Change transactions, please provide information in the description field explaining the change. This is extremely important when submitting a change for a body part, as the description must match the new body part or an explanation given. Also, when submitting a request on a Manual Change form for a change to the Nature of Injury (DN35), a detailed description of the change is required and should be submitted with the form.

DATE OF BIRTH AND SOCIAL SECURITY NUMBER

It is very important that the correct date of birth and social security number be provided when filing First Report of Injury (FROI) transactions as these are mandatory fields and records submitted without a SSN or DOB will be rejected. The Social Security Administration (www.ssa.gov) is a source of valuable information and they may be able to assist you in verifying social security numbers before submitting FROI transactions to the DWC.

There are times when it is determined by DWC that an invalid social security number has been submitted for a claimant after the record has already been accepted and a DWC number assigned. There are also times when it is determined that the claimant does not have a social security number such as the case for migrant workers. For data quality purposes, when it is determined that an invalid number has been transmitted or that a number does not exist (migrant worker), then a number is administratively assigned by DWC for temporary identification purposes until a valid number can be obtained from the Carrier or TPA. The following formula is used to assign this number: 999 + person's date of birth. Example: If a person was born on 1-12-1958, the number would be 999-01-1258. This is an administratively assigned number and is not a valid SSN.

When either of the above scenarios occur, the Carrier or TPA is notified and requested to submit a Manual Change form with the valid SSN, followed by an (02) Change transaction. If it is known at the time of transmission that the individual does not have a SSN (migrant worker), then the FROI transaction may be submitted using the above mentioned formula (999 + person's date of birth) to provide the number in the SSN field. However, once a valid number is available, a Manual Change form should be submitted, followed by the (02) Change transaction.

FREE FORM TEXT FIELD

Please make sure to check the free form text field for pertinent information on rejected records. This field contains important information that will be useful in your successful resubmission of the record.

HOW TO REPORT PAYMENT OF PARTIAL BENEFITS ON A "NO LOST TIME" FROI:

DWC programs are written to calculate the number of lost work days by subtracting the "Date Last Day Worked" from the "Date Returned To Work". "Date Last Day Worked" is a mandatory field, but "Date Returned to Work" is not. File an original First Report of Injury, excluding the "Date Returned to Work". Providing the report meets all remaining edits, it will be accepted. Once the FROI is accepted, you may then file the necessary subsequent reports using the Jurisdiction Claim Number assigned to the Original. Once the Original has been filed, DWC will need for the trading partner to file a Change Report (02) showing the return-to-work date. (Filing "no lost time" claims is not necessary under normal circumstances. The scenario above is unique, and requires the filing of a "no lost time" claim to report partial payment. If you have a no lost time claim, and there are no mitigating circumstances that require further filings of other types of reports, then do not file them.)



Proof of Coverage - (POC)

Kentucky Department of Workers' Claims implemented a policy driven data base on September 1, 2008. On September 1, 2009 the policy driven system will be switched to full automation.

Here are some guidelines that will help on the filing of POC transactions for the fully automated system.

1. Make sure all mandatory fields are populated on both the PC1 and PC2. Missing or incorrect data in mandatory fields will cause a front line reject. i.e.; a transaction to cancel a policy, if a PC2 is missing a mandatory field, the PC1 and all PC2's will be rejected.
2. The Policy and Insured (PC1) transaction data will be compared to the information in the KY data base to determine the acceptance or rejection of the transaction.
3. All Insured data can be changed using triplicate code 00-32-84, EXCEPT the Insured FEIN number. To Change the Insured FEIN submit PC1 paired triplicate code 04-33-76, 05-32-76.
4. Submit all Insured and location changes to the policy. The system will look at the policy and transaction data received to match the record. If the policy and data on the PC1 and/or the PC2 does not match the data base information, the transaction will be rejected.
5. Check the TR (Transaction Rejected) acknowledgements. If an establishing document i.e.; new policy, renewal, add jurisdiction is returned with a TR, the policy and data are not entered into the KY data base. The establishing document transaction must be resubmitted with the corrected data and accepted before any further transactions can be processed for the policy and effective date.



Contact Us

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